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FRUIT Situation

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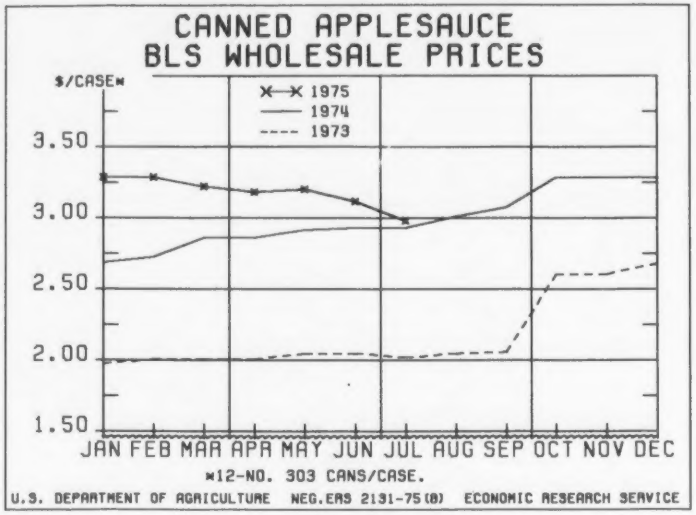
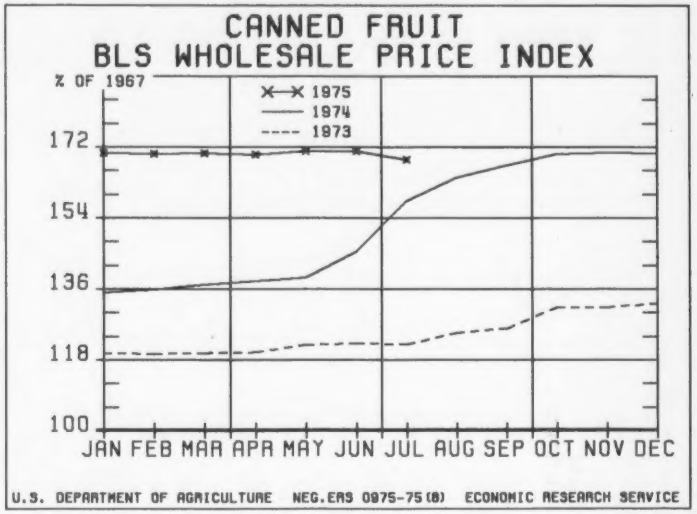

CANNED APPLESAUCE
BLS WHOLESALE PRICES
$/CASE*
1975
1974
1973
3.50
3.00
2.50
2.00
1.50
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
*12-NO. 303 CANS/CASE.
U.S. DEPARTMENT OF AGRICULTURE NEG.ERS 2131-75(8) ECONOMIC RESEARCH SERVICE


CANNED FRUIT
BLS WHOLESALE PRICE INDEX
% OF 1967
1975
1974
1973
172
154
136
118
100
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
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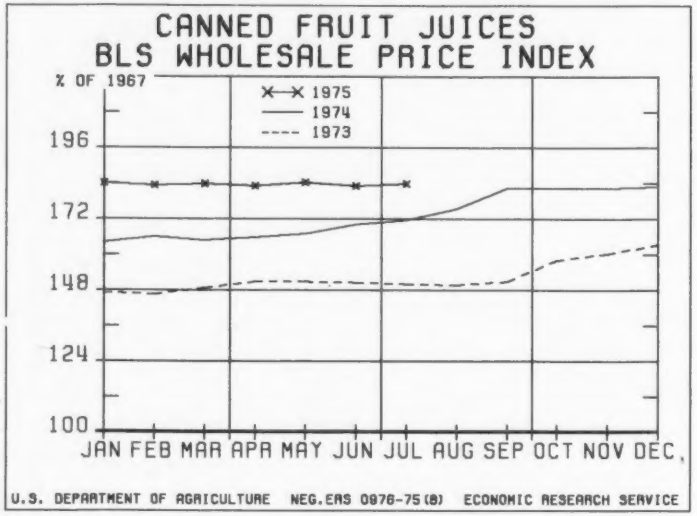
CANNED FRUIT JUICES
BLS WHOLESALE PRICE INDEX
% OF 1967
1975
1974
1973
196
172
148
124
100
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
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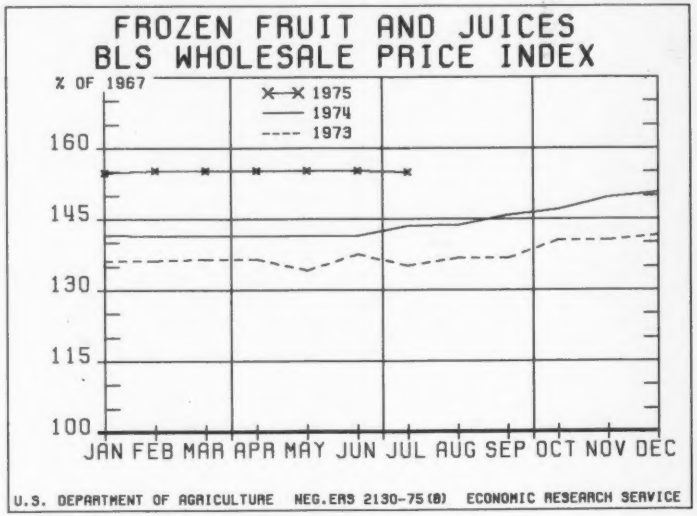
FROZEN FRUIT AND JUICES
BLS WHOLESALE PRICE INDEX
% OF 1967
1975
1974
1973
160
145
130
115
100
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
U.S. DEPARTMENT OF AGRICULTURE NEG.ERS 2130-75(8) ECONOMIC RESEARCH SERVICE

THE FRUIT SITUATION

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Special Article:

A Brief Overview of the United States' Grape Industry by John L. Baritelle and Raymond J. Folwell 24

Approved by
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and Summary Released
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SUMMARY

Supplies of most fresh and processed deciduous fruit for 1975/76 marketing are expected to be moderately larger than last season. Remaining fresh citrus supplies during late summer and early fall also will be moderately larger. Current prospects indicate another large citrus crop for 1975/76, since citrus trees this summer have been in generally good to excellent condition with fruit growth developing well. With the larger noncitrus supply and the potentially larger citrus crop, the index of prices received by growers for fresh and processed fruit this fall may average slightly to moderately below year-earlier levels.

Noncitrus

Fresh noncitrus fruit supplies this summer and fall are above last season's levels. The U.S. apple crop is forecast to be record large and 13 percent above 1974. Grape production is indicated to be 2 percent larger, but 2 percent below the record set in 1965. Peach and pear production are expected to be up 3 percent and 2 percent, respectively. Led by these gains, total noncitrus fruit output is estimated 5 percent above the 11.2 million tons utilized last year and 7 percent above 1973.

Early shipping point prices for fresh market noncitrus fruit were generally near to slightly higher than last season because of later marketing. As harvests progress, f.o.b. prices for most fresh deciduous fruits have been declining seasonally and will probably continue to do so through this fall, averaging slightly to moderately below a year ago. Contract prices and other price agreements for most fruits produced for processing are being negotiated at lower than year-earlier levels.

The 1975/76 pack of canned fruits could be smaller than last season's large output in view of sharply larger stocks on hand at the beginning of the 1975/76 marketing season; and several items, such as applesauce, apple slices, peaches, and pears, are the largest in the last few years. However, even with a small reduction in expected pack, total supplies of canned fruit this season will still be large. Wholesale prices of canned fruit recently have been declining to levels moderately above a year ago. The larger supplies in prospect are likely to exert further downward pressure on wholesale prices of canned fruits. However, retail prices for

most items are likely to remain relatively stable at the currently high levels, due to the continued high cost of marketing and the apparent rigidity of prices on the downward side.

Dried fruit prospects point to bigger production this season. Total raisin pack is expected to be considerably larger than last year's, while dried prune output probably will be up only slightly. Frozen fruit stocks at the beginning of August were slightly above a year ago. Moderately larger deliveries of strawberries to freezers point to larger supplies this season.

Citrus

Remaining supplies of fresh California Valencia oranges for marketing in late summer and early fall are sharply larger than a year ago. F.o.b. shipping point prices for the season are expected to average about the same as a year ago. However, retail prices for fresh oranges continued to average slightly higher than a year ago.

Grower prices for fresh lemons during 1974/75 averaged moderately below the previous season because of the record crop. However, industry reports indicate a moderately smaller lemon crop is in prospect for the 1975/76 season. As a consequence, prices have increased recently. While grower prices are expected to decline seasonally later this fall, they are expected to average moderately above a year ago, since the harvest is expected to be lighter.

Although stocks of most processed citrus products are smaller than the high levels of a year ago, supplies are large in comparison to recent years. Despite moderately higher prices, movement for these items—particularly frozen concentrated and chilled orange juice—continues to increase. Large supplies of processed citrus products are expected during 1975/76 in view of larger crop prospects.

RECENT DEVELOPMENTS AND OUTLOOK

GENERAL PRICE OUTLOOK

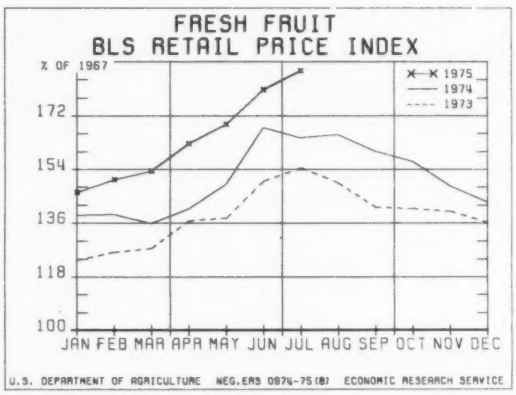
The August 1975 index of prices received by growers for fresh and processed fruit at 147 (1967=100) fell substantially from the July level, and was 6 percent below a year ago. Price decreases for apples, peaches, pears, oranges, and strawberries more than offset advances for lemons and grapefruit. Prices substantially below year-earlier levels were reported for pears, oranges, and lemons. Grower prices for fresh noncitrus fruit such as apples and pears are expected to decline further this fall as large supplies become available. In addition, it is reasonable to expect another large citrus crop for this coming season since citrus trees this summer have been in generally good to excellent condition with fruit growth developing well. The seasonal increase in noncitrus supplies, combined with the potentially large citrus crop could cause the index to decline this fall to levels slightly to moderately below a year ago.

The retail fresh fruit price index has increased every month since the beginning of 1975 and reached 187.1 in July (1967=100). This was about 13.6 percent above a year ago. July retail prices were above year-earlier levels for all fresh fruits. However, retail fresh fruit prices are expected to decline seasonally when larger supplies of apples, oranges, and grapefruit become available in the fall, although prices still may remain slightly to moderately above a year ago. Thus, the index for 1975 is expected to average moderately above 1974.

Table 1—Index of quarterly prices received by growers for fresh and processed fruit

Year	(1967=100)			
	1st	2nd	3rd	4th
1972	106	114	119	120
1973	126	136	145	138
1974	137	143	150	142
1975	136	152	[1] 154	

[1] July-August average.



The BLS July wholesale price indexes for most processed fruit items declined from the June levels, but still averaged above year-earlier levels, except for dried fruit. The BLS wholesale price index for canned fruit was 168.7 (1967=100) in July 1975, 1.3 percent below a month ago, but still 6.6 percent

above year-earlier levels. Moderately higher wholesale price indexes than a year ago were still recorded for frozen fruit, and canned and frozen juice, while the dried fruit price index has been below year-earlier levels. The larger estimated noncitrus crops combined with larger stocks for many processed fruit items are likely to exert further downward pressure on wholesale prices for processed noncitrus fruit.

With higher wholesale prices so far this year, retail prices of processed fruits particularly canned noncitrus fruit, have also averaged considerably above year-earlier levels. While wholesale prices of many processed items are expected to weaken, retail prices for most items will likely remain relatively stable around currently high levels. This is due mainly to the continued high cost of marketing and the apparent rigidity of retail prices on the downward side. However, for some items with potentially burdensome supply levels, lower retail prices are necessary in order to obtain desirable levels of movement. This is one of the most pressing concerns currently facing growers and processors.

Table 2—Quarterly retail price indexes for fresh fruit

Year	(1967=100)			
	1st	2nd	3rd	4th
1972	114.4	124.0	133.6	123.5
1973	125.8	141.5	148.4	138.9
1974	137.7	152.5	163.5	149.4
1975	150.1	170.8		

NONCITRUS FRUIT

The August forecast of this year's noncitrus production at 11.7 million tons is about 5 percent above last year's utilized levels and 7 percent above 1973. However, shipments of most noncitrus have been behind year-earlier levels because harvest started about 2 weeks later than normal. With both larger noncitrus production and stocks of most processed noncitrus, available supplies to consumers will be larger this season than last.

Table 3—U.S. noncitrus fruit: Production, 1973, 1974, and indicated 1975

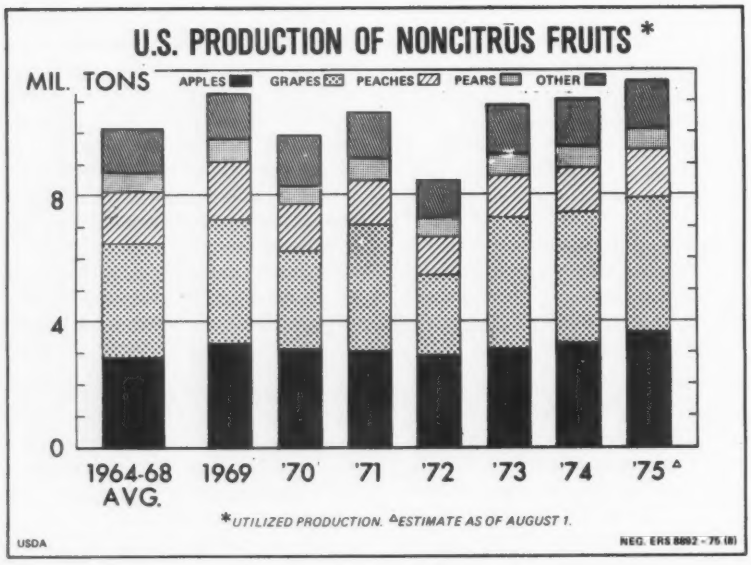
Crop	Utilized		1975
	1973	1974	
	1,000 tons	*1,000 tons*	*1,000 tons*
Apples	3,113	3,221	3,649
Apricots	158	94	138
Cherries, sweet	154	144	149
Cherries, tart	87	132	155
Cranberries	101	106	113
Grapes	4,193	4,194	4,283
Nectarines	86	115	100
Peaches	1,302	1,441	1,480
Pears	724	736	748
Prunes and plums	759	667	627
Strawberries	239	267	271
Total	10,916	11,117	11,713

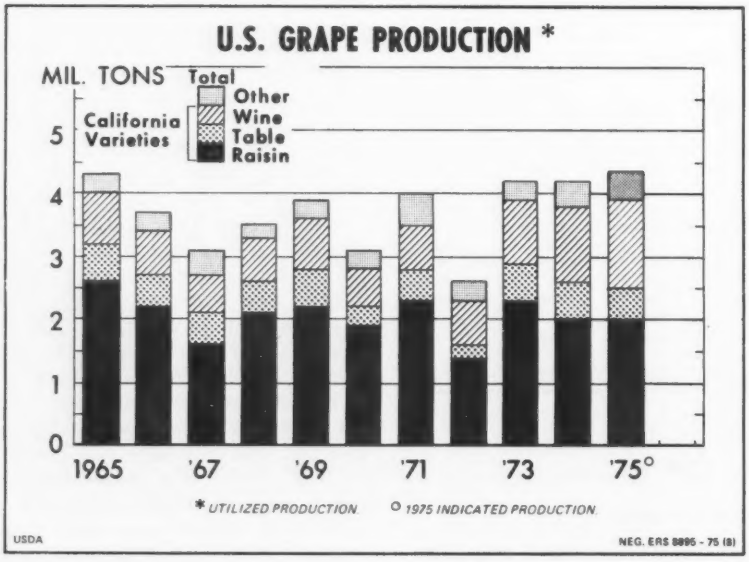
Grapes

Slightly Larger Crop in Prospect

The August 1 forecast of this year's grape production at 4.3 million tons, 2 percent more than last year, but 2 percent below the record set in 1965 (table 12). Prospects in California at 3.85 million tons, are down moderately from the July 1 forecast of 4.2 million tons, but still slightly more than 1974. The estimated July to August decline in California is based on the objective measurement survey conducted in July. Although the crop has lush vine growth, the average bunch lengths are shorter than last year. Raisin grape varieties, produced solely in California and accounting for slightly more than one-half of the State's total grape crop, are expected to be 2 percent above 1974. Estimated wine variety production is at a record 1.35 million tons or 11 percent more than last year. Table variety production in California is estimated at 500,000 tons, or about one-fifth less than 1974.

Combined production of grapes in New York, Michigan, Pennsylvania, Ohio, and Washington, the major grape processing States, represents 9 percent of the U.S. total crop and is forecast to be 6 percent above last year's utilized production. Prospects for larger crops in Michigan, Ohio, and Washington more than offset smaller crops expected in New York and Pennsylvania. Grape production in Washington is forecast at 110,000 tons, 37 percent above last year. The increase is due largely to new acreage coming into production for the first time. Increases of 37 and 16 percent from last year are estimated for Michigan and Ohio, respectively. New York's production at 155,000 tons is expected to be down 12 percent from a year ago as a result of fewer bunches per vine and less berries per bunch. Prospects in Pennsylvania are for a crop of 47,000 tons, slightly more than one-tenth below last year. The majority of these grapes are Concords, which have been mostly crushed for canned juice and frozen concentrate. In recent years, increasing quantities of Concords have been moving to the wineries. Also, the newer plantings of other North American and French hybrid types for wine are now bearing larger crops.


U.S. PRODUCTION OF NONCITRUS FRUITS *
MIL. TONS
APPLES
GRAPES
PEACHES
PEARS
OTHER
8
4
0
1964-68 AVG.
1969
'70
'71
'72
'73
'74
'75 Δ
*UTILIZED PRODUCTION. ΔESTIMATE AS OF AUGUST 1.
USDA
NEG. ERS 8892 - 75 (8)


U.S. GRAPE PRODUCTION *
MIL. TONS
Total
Other
Wine
Table
Raisin
California Varieties
5
4
3
2
1
0
1965
'67
'69
'71
'73
'75°
* UTILIZED PRODUCTION.
° 1975 INDICATED PRODUCTION.
USDA
NEG. ERS 8895 - 75 (8)

Market Outlook

Shipments of table grapes were running sharply behind year-earlier levels since the crop is about 2 weeks behind normal. F.o.b. prices for fresh grapes early in the season were running generally higher than a year ago, but they have since declined substantially to levels below last year with increasing volume. Opening prices for Thompson Seedless grapes in Kern District, California were reported at $7.00 per 23 pound lug compared with $9.40 last year. Supplies of grapes for fresh market are expected to be larger this season since the market for competing uses of table and raisin varieties, particularly Thompson Seedless, is expected to decline. Larger supplies are likely to cause fresh grape prices to average moderately below a year ago.

The rate of increase in grapes used for crushing could slacken this season. Decreased crushing for juice in the Great Lake States is probable. In California the quantity of grapes crushed for wine during 1975 isn't likely to increase significantly from last season in view of present economic conditions in the wine industry and limited available storage capacity. Inventories of wine in California as of April 30, 1975 were reported at 335.7 million gallons, 4.2 percent larger than a year ago.

Carryin stocks of raisins at the beginning of the 1975/76 season are expected to be substantially larger than last year's low level. Thus, with a substantially larger raisin pack in prospect, 1975/76 raisin supplies will be large enough to put some additional downward pressure on prices. The 1974 season average price received by growers for raisins was $632 per ton (dried basis, processing plant door). In addition, wineries may not be actively bidding for raisin grapes with a record wine variety grape crop. Foreign demand for raisins is also not expected to be strong. Total world supply of raisins seems ample and price reductions have prevailed in several major raisin producing countries.

Apples

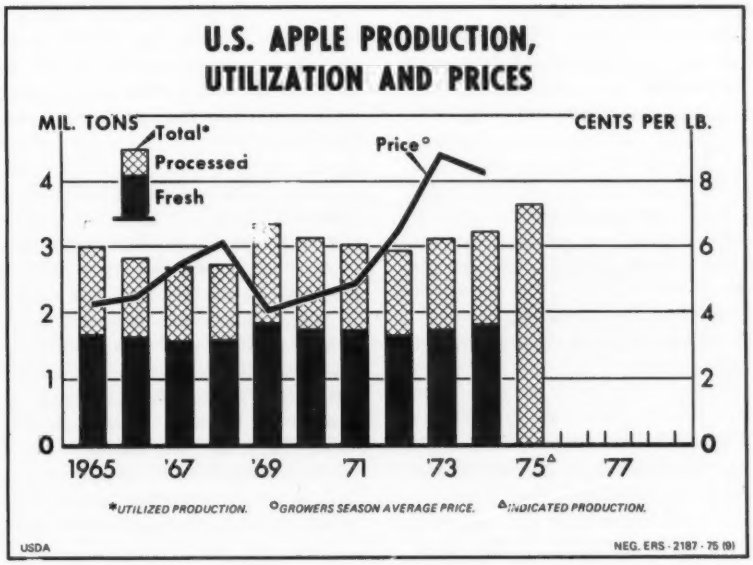
Record Crop Expected

The August 1 forecast of the 1975 commerical apple crop, at a record 7.3 billion pounds, is 13 percent above the 1974 utilized production and 17 percent above 1973. Increases from a year ago are expected in all States except Minnesota, New Jersey, and Oregon (table 13).

Table 4—Apples: Regional production, 1973, 1974, and indicated 1975

Area	Utilized		Indicated
	1973	1974	1975
	Billion pounds	*Billion pounds*	*Billion pounds*
East	2.49	2.77	3.22
Central States	.88	1.11	1.30
West	2.85	2.56	2.78
Total U.S.	6.22	6.44	7.30

In the Eastern States, production is expected to total 3.2 billion pounds, up 16 percent from last year's utilized production. Production prospects in



the New England States are for almost 15 percent more apples. Sizing of apples is 10-15 days ahead of 1974. Apple crops are 19 percent larger in both New York and Pennsylvania. Harvest of early season apples in North Carolina was underway in early August.

In the Central States, production at 1.3 billion pounds is 17 percent above last year's utilized crop. Michigan, the major producing State, expects a crop of 720 million pounds, an increase of 7 percent from 1974.

The Western States production is forecast at 2.8 billion pounds, 9 percent above last year. A record crop of 1.9 billion pounds is anticipated in Washington, the leading apple State. The crop is sizing very well, with sizes running well ahead of normal. Harvest of California's Gravenstein apples began about August 1 in Sonoma and Santa Cruz Counties.

By individual variety, the Red Delicious at 2.4 billion pounds is still the leader with production up 14 percent from 1974 and represents almost one-third of this year's apple crop. The Golden Delicious estimate of 1.1 billion pounds is up only slighty, but its share decreases slightly to 15 percent of the apple crop. Increases in production for other leading varieties are: McIntosh, 8 percent; Rome Beauty, 17 percent; Jonathan, 19 percent; and York Imperial, 37 percent. The largest percentage increase was estimated for R. I. Greening, up 56 percent from 1974 (table 14).

Utilization of the 1974 Crop

The share of the total 1974 apple crop utilized for processing remained at the 1973 level of 44 percent, but the total quantity processed in 1974 was about 4 percent over 1973. Apples used for making juice and cider increased almost one-fourth and accounted for about 16 percent of the total utilized crop compared with 13 percent in 1973. Apples used for canning registered a decrease of 4.5 percent from a year earlier and accounted for 18.6 percent of the crop compared with 20 percent a year ago. Utilization of apples for both frozen and dried was down, 28 and 21 percent, respectively from 1973, with each use taking approximately 3 percent of the apple crop. The remaining processing uses include vinegar, wine, jelly and fresh slices for pie making.

The total apple crop used fresh increased 3 percent between 1973 and 1974, but the share remained at 56 percent (table 11).

Lower Prices Expected

Season average prices received by apple growers for the 1974 crop were moderately lower than for the preceeding year. The estimated U.S. grower price for all sales was 8.3 cents per pound compared with 8.8 cents for the 1973 crop. Growers received an average 11.1 cents per pound for apples used fresh, up 4 percent from 1973. Apple prices received by growers for processing in 1974 averaged $96.20 per ton compared with $125.00 per ton for the 1973 crop as prices for all processing outlets declined moderately to sharply.

Grower prices for fresh apples have declined from the record high of 15.3 cents a pound in June to 11.9 cents in August, but still 6 percent above a year ago. The prices which apple growers will receive during the 1975/76 marketing season are influenced by many factors. Early in the season, prices received by growers are expected to average moderately below year-earlier levels with a larger fresh supply available from Eastern and Central States. In addition, weakening processor demand is expected as the carryin of canned apples and applesauce into the current season was the largest in recent seasons. Furthermore, if larger citrus supplies should develop as currently expected for 1975/76, the increased competition could exert some further downward pressure on apple prices. Also, a record apple crop from Washington is likely to cause apple prices later in the season to average moderately to substantially below the unusually high levels attained last season. During the 1974/75 marketing season, retail prices of fresh apples have averaged near year-earlier levels. However, with record supplies of apples available, the 1975/76 fresh apple prices at the retail level may average below a year ago.

Exports Up, Imports Down

Fresh apple exports in the 1974/75 season increased almost one-third to 233.9 million pounds (table 20). With a two-fifths increase in exports to Canada from the 1973/74 season, Canada received nearly 54 percent of the total exports compared with 50 percent a year ago. The shorter 1974 apple crop in the European Community also enhanced U.S. exports to Europe this past season. Exports to Europe amounted to 29.7 million pounds, two-thirds above a year ago. Other areas outside Canada and Europe purchased 78.8 million pounds from us during 1974/75, an increase of 11 percent, but its share declined to 34 percent from 40 percent a year ago. However, 1975/76 exports to Canada and Europe do not look very favorable in view of larger apple crops in prospect there.

During January-June 1975, U.S. imports of fresh apples totaled 53.8 million pounds, 6 percent below last year. Although moderate to substantial increases in imports were indicated from Canada, Australia, and Chile, a sharp drop in purchases from South Africa were more than offsetting. Thus far in 1975, we have imported no fresh apples from South Africa, compared with 6.4 million pounds for all of 1974.

Peaches

Peach production is forecast at nearly 3 billion pounds, 3 percent more than 1974 and 14 percent above 1973. Excluding California clingstone peaches, total production is forecast at more than 1.4 billion pounds, 12 percent above last year's utilized production (table 17).

The distribution of these potential fresh market supplies differs markedly from 1974. In the nine Southern States, where crops are nearly all harvested, tonnage was estimated nearly one-fourth larger than last year's utilized crop. California's freestone crop, also an early market supplier, was estimated at 400 million pounds as of August 1. This was down slightly more than one-tenth from a year ago. Output in several of the larger late peach growing States is expected to be up from 1974. Slightly to sharply larger crops were reported for Colorado, Michigan, New Jersey, Oregon, and Washington. In contrast, Pennsylvania, the third ranking peach State, has a slightly smaller crop although of good quality, but sizing has not progressed as expected due to lack of moisture.

Prices Down From Year Ago

Prices for fresh market peaches at shipping points during July and early August averaged slightly to moderately below comparable prices in 1974 depending on areas and varieties, mainly because of larger supplies from the Southern States. Prices are expected to rise seasonally in September, but are not likely to reach the high levels attained last season because of larger supplies expected from some of the late States. Opening f.o.b. prices for fresh Yellow Flesh peaches (various varieties), from the Appalachian District for ¾-bushel carton in early August were reported at $6.50 compared with $7.19 last year. However, f.o.b. prices have strengthened recently in some locations.

Canners' stocks of clingstone peaches at the beginning of the new pack year were sharply above the small carryover a year ago—4.4 million cases (24-2½'s) compared with 1.4 million cases. This was the largest carryover in the last 4 years. With a smaller clingstone peach crop and heavy stocks, total pack for the season is not likely to match last season's output. However, the total supply of canned clingstone probably will exceed last year's 30.4 million cases. In mid-July, the canners agreed to pay members of the California Canning Peach Association a base grower price of $128.50 per ton, $4 less than last year. In addition, California's freestone peach processors have accepted the price offer of $100 per ton for Fay Elberta peaches produced by members of California Freestone Peach Association, $35 below last year.

As a result of larger supply and slower movement, the carryover of canned freestone peaches was 1.3 million cases (24-2½'s), the highest level in the last 5 years and up from 0.2 million cases a year ago. Most of the 1975 pack will be coming from a California crop substantially smaller than a year ago. Even though supplies of peaches for fresh market are larger this season in other producing areas, the market for fresh use of California freestone peaches is not likely to decline. Consequently, the pack of canned freestone peaches in California is likely to be smaller than the 3.0 million cases (24 No. 2½'s) packed last year.

The BLS July wholesale prices for canned peaches remained unchanged at $5.13 per case (12-2½'s) since February, compared with $4.95 a year ago. With larger supplies expected during the 1975/76 season, wholesale prices of canned peaches may decline to levels below a year earlier.

Total exports of canned peaches during the 1974/75 season amounted to 2.1 million cases (24-2½'s), down almost one-fourth from the previous season (table 20). Weaker demand for our canned peaches was indicated for every section of the world except Canada. However, our export market may improve during the 1975/76 season if the world economy turns around as expected. Furthermore, the prospective smaller peach crops from the principal European producing countries may also strengthen the demand for U.S. canned clings.

Storage stocks of frozen peaches on August 1 totaled 22.1 million pounds, moderately less than the supplies on hand the same date a year ago (table 21).

Pears

Crop Up Slightly

As of August 1, total 1975 pear crop was forecast at 747,750 tons, 2 percent above last year's utilized crop and 3 percent above 1973. Oregon and Washington expect smaller crops while all other States expect larger production than a year ago (table 18).

Bartlett production, which comprises about 70 percent of the U.S. pear crop, is expected to be 5 percent above last year. Most of these pears are used for canning. In addition, some of the estimated 8,500 tons of other pears produced in California are also used for the canning market.

The production of fall and winter pears in Washington and Oregon is expected to total 168,000 tons or about one-tenth smaller than in 1974. These pears are the principal supplies for the fresh market during the winter and spring. Output from other Western States (Idaho, Colorado, and Utah) is expected to be about one-third larger than last year. Most of the remaining U.S. pear crop is centered in Michigan and New York with production up 52 and 43 percent from 1974, respectively.

Early Season Prices Below Year-early Levels

California's harvest of Bartlett pears got underway later than last season. Consequently, shipments of Bartlett pears from that State through August 23, were running considerably behind last year's pace; but opening f.o.b. prices were at last year's levels of $9.00 per standard box Sacramento Valley. With increasing volumes prices have declined to levels moderately below a year ago. With a larger crop and heavy canners' stocks on hand, f.o.b. prices are likely to hold slightly to moderately below a year ago. However, the expected substantial drop in winter pear production in the Northwest may firm the late-season market.

Stocks of canned pears on June 1 were sharply larger than last year's small stocks and the largest in the last 5 years. Thus, even with a 5 percent increase in Bartlett production, total pack could be below year-earlier levels. But this season's total supply will still likely be moderately larger than last season's 12.5 million cases (24-2½'s). California growers and canners have agreed on a field price of $125 per ton for No. 1 grade Bartletts, compared with $165 last year. Because of lagging movement, wholesale prices of canned pears in July declined to levels below a year ago. The average BLS July wholesale price for canned pears was $5.87 per case (12-No. 2½) compared with $5.95 per case for July 1974. Reflecting weakening wholesale prices, retail prices of canned pears have been steady at levels slightly below the record high of $.76 per No. 2½ can reported last April, but still substantially above a year ago. Prices at all levels may decline further in view of the larger supply and lower prices of raw products.

Slackening Export Demand

During July 1974-June 1975, U.S. exports of fresh pears declined to 76.3 million pounds, down slightly more than one-tenth from a year earlier. The decrease in exports was mainly attributed to smaller shipments to Canada and Europe. Exports of canned pears during 1974/75 were only half of the 1973/74's volume, with sharply lower exports to all areas of the world (table 20). Export prospects do not look favorable for this season as the 1975 pear crops from the principal European producing countries are expected to be slightly larger than a year ago.

During the same period, U.S. imports of fresh pears amounted to 18.5 million pounds, almost the same as a year ago. Australia remained our major supplier, but our imports from there were down one-fifth from a year ago. In contrast, South Africa became one of our major suppliers in 1974/75 with total imports at 6.4 million pounds compared with no imports in 1973/74. A sharp increase was also recorded from Chile.

Cherries

Moderately Larger Supplies of Sweet Cherries

The final 1975 forecast of sweet cherries at 148,850 tons was up 4 percent from 1974, but still 3 percent below 1973. Output in the three Great Lake States at 36,150 tons was up 30 percent from last year's utilized production, with Michigan, the principal producing State in this region, up almost 18 percent. New York produced almost three and a half times as much as last year's small crop, while Pennsylvania's crop was down moderately. Production in the Western States at 112,700 tons declined slightly from that of a year ago.

Harvesting of sweet cherries was largely completed by early August. The fresh market was fairly strong throughout the season. The last f.o.b. price reported for fresh Washington Bing cherries as of July 26 was $8.30 per 20 pound lug compared with $7.00 last year.

With the substantially larger crops from California and the Great Lake States, the total brined pack may be larger than 1974. During 1974, sweet cherries used for canning were almost one-half larger than 1973. But a smaller 1975 crop in the Northwest, coupled with larger fresh shipments from there, are likely to result in a smaller U.S. canned pack this season.

Sharply Larger Supplies of Tart Cherries

The production of tart cherries was placed at 155,080 tons as of July 1, 17 percent above the 1974 utilized crop and more than three-fourths above the small 1973 utilized crop. Total production from the Great Lake States at 144,780 tons, accounted for 93 percent of the total U.S. crop and was up 18 percent from last year's utilized production. In Michigan, the leading State, production was estimated at 115,000 tons, 12 percent above the 1974 utilized crop. Total production in the Western States (Colorado, Oregon, and Utah) is forecast at 10,300 tons, up almost 13 percent from last year's utilized production.

Through August 16, deliveries of tart cherries to processors at 200.5 million pounds (100,250 tons) were running 12 percent below a year ago. Utilized production may run below earlier expectations due to set aside provisions of the Cherry Administrative Board marketing order as well as adverse weather late in the harvesting season. However, sharply larger carryin stocks for both frozen and canned tart cherries will still result in larger total supplies during this season.

Avocados

The utilized avocado production during the 1974/75 season at 82,800 tons was 13 percent more

than 1973/74, but nearly 7 percent smaller than 1972/73. The higher production was due to larger crops from both California and Florida. The California crop at 60,900 tons was 15 percent above a year earlier and accounted for three-fourths of the total U.S. crop. Florida produced 21,900 tons, nearly 8 percent above a year ago.

Avocados from California are used fresh, while a very small proportion of Florida avocados are for processing use. As a result of larger crops, the 1974/75 grower prices for both California and Florida averaged moderately below the 1973/74 levels. Consequently, U.S. grower prices for avocados averaged $630 per ton in 1974/75 compared with $675 in 1973/74. Total value of the U.S. avocado crop in 1974/75 is estimated at $52.2 million compared with $49.3 million in 1973/74. California accounted for 86 percent of the total value.

Strawberries

Crop Up From Year Ago

This season's strawberry crop is estimated at 541.5 million pounds, up only slightly from 1974, but 13 percent more than in 1973. However, with sharply reduced supplies from Mexico, month-to-month comparisons show grower prices for fresh strawberries averaging higher this season except in January. The July price averaged 35.4 cents per pound compared with 34.6 cents a year ago. Fresh imports from Mexico during the first 6 months of 1975 totaled 25.4 million pounds, down almost 10 million pounds from the same period last year.

Fresh market shipments are virtually finished for the season in all States except California. Total fresh strawberry shipments from California for the season through August 23, were slightly above year-earlier levels. By early August, deliveries of strawberries to California freezers were declining rapidly, and processing was through for the season in other States. However, shipments to freezers from all major States have been slightly to substantially above a year ago. The following table shows strawberry deliveries to processors in major freezing States during this season through August 2 compared with those of a year earlier.

Table 5—Strawberry deliveries for freezing to August 2

State	1974	1975
	Million pounds	*Million pounds*
California	92.2	97.0
Michigan	5.7	5.7
Oregon	34.9	37.9
Washington	16.5	20.2
Total 4 States	149.3	160.8

Nectarines, Plums, and Prunes

The 1975 California nectarine crop was estimated at 100,000 tons, 13 percent below 1974, but 17 percent above 1973. The fresh market is the principal outlet for nectarines. Shipments through August 23 were running moderately behind last year's pace. As supplies of nectarines declined seasonally, f.o.b. prices firmed. As of August 23, the shipping point price of nectarines, (sizes 56-88, U.S. No. 1, various varieties) was reported at $5.00 per 2-layer lug at central San Joaquin Valley, California, slightly above a year earlier.

California's plum crop was forecast at 115,000 tons, one-fifth smaller than last year's utilized crop, but almost one-fifth above 1973. Through August 23, shipments were running substantially below last year's pace. However, f.o.b. prices have fallen considerably since mid-July with increasing volumes, but are still moderately above year-earlier levels. As of August 23, the shipping point price for Casselman plums at central San Joaquin Valley, California was reported at $5.55 per 28-lb. carton compared with $5.35 a year ago.

Production of prunes and plums in Michigan, Idaho, Washington, and Oregon is forecast at 77,000 tons, 9 percent above last year and up 16 percent from 1973. Prospects in Oregon and Michigan are above last year but lower in Idaho and Washington. In the Northwest and Michigan, most prunes and plums are produced for the fresh market and canning. In 1974 approximately 49 percent of the crop was used fresh with most of the remainder used for canning. Opening f.o.b. prices for fresh prunes in Yakima Valley, Wash., were considerably above year-earlier levels, but have declined substantially. As of August 23, f.o.b. prices for Italian type prunes (No.1, 1¼ inch minimum), were quoted at $3.50 per 30 pound carton, compared with $3.25 a year ago.

California dried prune production is forecast at 145,000 tons, up 2 percent from 1974's utilized crop, but 30 percent below the large crop of 1973. Domestic shipments (including Canada) of dried prunes during 1974/75 were 17 percent below the high levels of 1973/74. Exports were at the highest level since 1967 with the exception of 1973/74. With larger supplies in 1974/75, the August 1 carryover of dried prunes was almost the same as the high level of a year ago. The Prune Administrative Committee has recommended that none of the 1975 marketable prune crop in California be set aside as reserve.

Wholesale prices of dried prunes earlier this year were near year-earlier levels, but since have declined to levels substantially below a year ago. In July, wholesale price of dried prunes was reported at $8.58 per case (24-1 lb.) down from $9.65 a year earlier reflecting slow movement. Thus, with a

slightly larger crop, prune prices are expected to average slightly lower than $460 per ton received by growers in 1974.

USDA purchased 12.5 million pounds of dry pitted prunes for use in child nutrition programs.

Cranberries

The first forecast of the Nation's 1975 cranberry production is for 2,256,000 barrels, 1 percent more than last year's total production and 7 percent above 1973. Anticipated smaller crops in New Jersey and Wisconsin are more than offset by larger crop prospects in Massachusetts, Oregon, and Washington. Much of the increase in production will come from Washington which expects 126,000 barrels, an increase of 37 percent.

During each of the last 2 years, approximately 95 percent of the crop was used fresh or for processing. Last year 2.1 million barrels were used, of which 1.4 million barrels were processed, down from 1.5 million processed in 1973. Fresh use also decreased slightly, from 0.4 million barrels in 1973 to 0.39 million in 1974. The remainder is accounted for by shrinkage or cranberry loss due to dehydration and berry breakdown after delivery. The 1974 equivalent returns for cranberries at first delivery point, screened basis of utilized production, were $11.20 per barrel compared with $14.10 in 1973. Consequently, total value of utilized production in 1974 amounted to $23.8 million, down 16 percent from the year before.

Table 6—Cranberries: Production in principal States, 1973, 1974, and indicated 1975

State	1973	1974	1975
	1,000 barrels	*1,000 barrels*	*1,000 barrels*
Massachusetts	901	932	950
New Jersey	228	250	235
Wisconsin	756	870	850
Washington	118	92	126
Oregon	97	92	95
5 States	2,100	2,236	2,256

[1] Includes cranberries put in set aside under the Cranberry Marketing Orders and quantities not utilized. [2] Indicated.

FRESH CITRUS

Major World Citrus Producers Set Record in 1974/75

USDA's Foreign Agriculture Service reports citrus production in 24 major producing countries which account for 80-85 percent of world production reached a record 36.7 million metric tons in 1974/75, 3 percent above the previous season. Output of oranges and lemons increased to record levels, while grapefruit production declined 5 percent from 1973/74 levels.

The United States led in citrus production with 13.1 million metric tons, followed by the Mediterranean region with 11.3 million tons. The Sao Paulo region of Brazil produced 4.4 million tons, while Japan contributed 3.9 million tons.

The world orange crop (including temples and tangerines) was estimated at 30.3 million metric tons during 1974/75 compared with 29.5 million the previous season. Favorable weather in Florida and California during most of the 1974/75 season resulted in a record 9.8 million metric ton U.S. crop, 10 percent above last season's. New bearing acreage in Brazil accounted for most of the 9 percent higher outturn during 1974/75, at 4.1 million tons. The 1975/76 Sao Paulo orange crop is estimated 10 percent higher, based on recent tree plantings and very favorable weather conditions.

In the Mediterranean region production was down slightly. Major declines in Italy, Israel, and Cyprus were only partially offset by a 51 percent increase in Greece. Spain's production was down slightly in 1974/75 while Egypt's output continued to rise.

Grapefruit production during 1974/75 dropped to 3.2 million metric tons, the smallest world crop since 1970/71. The U.S. crop of 2,253,000 metric tons, about 70 percent of the world total, declined 7 percent from the previous year's level. Mediterranean area production was up slightly as a result of a larger crop in Israel. South Africa's production fell for the fourth consecutive year, but plantings are reportedly on the increase.

Lemon output reached a record 3.1 million metric tons, 15 percent above the previous high set in 1973/74. The all-time high 1,024,000 ton U.S. crop, up 70 percent from the 1973/74 season, was the primary cause. Mediterranean area production, relatively stable in recent years, rose 2 percent as a result of higher Italian output.

Oranges

Remaining Supplies of California Valencias Much Larger Than a Year Ago

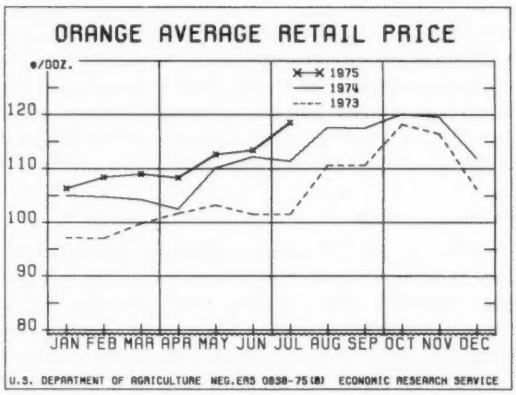
Remaining supplies of California Valencia oranges will provide the bulk of fresh market supplies until the new 1975/76 orange season gets underway this fall. By mid-August, remaining supplies of California-Arizona Valencias totaled nearly 10.9 million boxes for late-season marketing, compared with 6.1 million boxes last year. Fresh domestic shipments of California-Arizona Valencias so far this season have been slightly larger than a year ago. Fresh export shipments and processing use of Valencias on the other

hand have been substantially above last year's volume. Although total shipments of California-Arizona Valencias are running substantially ahead of last year's level, remaining supplies are also larger because of the 43 percent increase in output in these areas.

Fresh Orange Prices Decline

F.o.b. prices for California Valencias for fresh shipment were above year-earlier levels from June to late in July. However late in July, f.o.b. shipping point prices in Southern and Central California have declined to levels below a year earlier. By late August, the f.o.b. price advanced to levels slightly above a year ago. In view of the larger remaining supplies of Valencia oranges and to some extent larger supplies of competing fresh noncitrus fruits, prices are not expected to average above year-earlier levels for the remainder of this season.

In July, the BLS-reported retail prices for fresh oranges averaged $1.18 per dozen, compared with $1.11 a year earlier.



Exports Continue Strong

U.S. exports of fresh oranges during July totaled 100 million pounds, compared with 73 million during July 1974. Fresh orange exports so far this season (November 1974 through July 1975) totaled 849 million pounds. This was 52 percent above the same period last season. While shipments increased to all major destinations, the largest increase was to Europe.

Lemons

The 1974/75 Arizona-California lemon crop is now expected to total a record 29.7 million boxes, nearly 70 percent above the previous season. Harvest of the 1974/75 lemon crop was virtually complete by early August.

Shipments of lemons to processing outlets during 1974/75 were substantially larger as a result of the record crop, while shipments for fresh use in the domestic market were virtually unchanged. Exports were up considerably with larger shipments to Europe and Japan chiefly responsible.

Grower Prices for Fresh Lemons Strengthen in Recent Months

Fresh lemon prices continued to advance seasonally during August. On-tree returns to growers advanced to $7.45 per box from $6.35 a box in July, but were still substantially below the level of a year ago. Grower returns for fresh lemons during 1974/75 averaged substantially below the 1973/74 season as a result of the record crop.

While grower prices for fresh lemons are expected to decline seasonally later this fall, they are expected to average moderately above a year-ago since the harvest is expected to be lighter. Although the official 1975/76 crop estimate is not due until October 10, industry reports indicate a moderately smaller lemon crop is in prospect. However, supplies will be large enough to meet domestic requirements.

Grapefruit

Larger Summer Supplies

Supplies of most summer fresh grapefruit come from southern California. This season's California crop was sharply larger than a year ago, which was good news for grapefruit lovers. Much of the increase was due to new groves coming into production.

In response to the larger crop, U.S. on-tree grower returns for fresh market grapefruit have declined substantially during August to levels below a year ago. Growers received $3.33 per box in August, compared with $4.36 during July and $4.42 in August 1974.

Retail prices of fresh grapefruit this season have been above year-earlier levels. The BLS reported retail price for fresh grapefruit increased sharply during July to 26.4 cents each, 13 percent higher than June and 27 percent above July 1974. Prices are likely to increase seasonally until the harvest of new-crop Florida grapefruit gets underway.

New-Crop Prospects

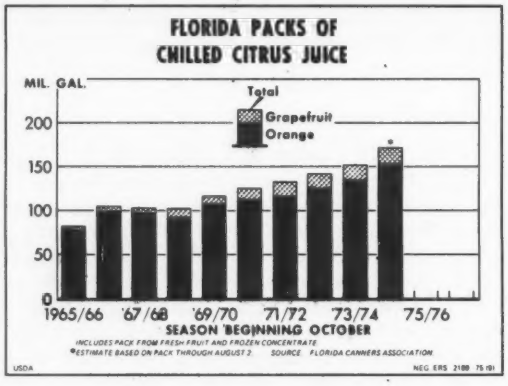
Although the official USDA crop estimate is not due for release until October 10, industry observers are predicting expanded grapefruit production for the 1975/76 season.

In Texas, expanded grapefruit tree plantings during recent years are coming into production. Combined with excellent growing conditions this season, current prospects indicate a large grapefruit output. Production during the 1974/75 season was below normal due to freezing temperatures.

A larger crop of grapefruit is also being indicated for Florida for 1975/76.

PROCESSED CITRUS

The total U.S. 1974/75 pack of processed citrus will be larger than last season because of the record orange and lemon crops. Larger packs are indicated for most major Florida citrus items with the notable exception of canned and frozen grapefruit. Processing use of California-Arizona oranges and lemons is also larger this season. The citrus packing season in Texas finished earlier this season, with 4.6 million cases (24/303) of canned citrus products reported packed compared with 9.6 million last season.



Frozen Concentrates

Frozen concentrated orange juice (FCOJ) canner stocks in Florida totaled 97.6 million gallons in mid-August, slightly below last year. Although supplies (beginning stocks, imports plus pack) are slightly larger so far this season, the movement of FCOJ was running 9 percent higher than in the same period during the 1973/74 season. The increase was in domestic outlets, since exports of FCOJ are the same as a year ago (table 22).

Grower prices for Florida oranges used for frozen concentrate have averaged slightly below those of a year ago. However, f.o.b. Florida cannery prices of FCOJ have been running 5-10 percent above last year. The current list price at processing plants is $2.10 per dozen 6-ounce cans (unadvertised brands) compared with $1.88 last season. Canners offered a promotion during June 30-August 15 which discounted the effective selling price to $1.98.

Prices at retail have been steady in recent months and in July were 28.2 cents a 6-ounce can, but 10 percent higher than a year ago.

Chilled Products

Florida's output of chilled orange juice to August 16 totaled 146.8 million gallons, 14 percent above the corresponding period in 1973/74. The 1974/75 season's pack will set another record, and is expected to exceed 150 million gallons.

The total domestic movement continues to grow, reaching 130.4 million gallons by August 16 compared with 115.8 million a year earlier. At the same time retail prices also continued to increase because of the growing demand. During July, chilled orange juice prices at retail averaged 52.9 cents per quart, compared with 50.1 cents last year.

Despite a smaller grapefruit crop, Florida's pack of chilled grapefruit juice (excluding single-strength reprocessed) reached 19.4 million gallons by August 16, 15 percent above year-earlier levels. Strong movement, however, has resulted in substantially smaller stocks on hand. This season's total pack is expected to be near 20 million gallons, compared with last season's pack of 17.4 million.

Canned Products

Florida's pack of canned citrus products to August 16 totaled 31.0 million cases (24-2's), 15 percent below a year earlier. The sharply lower canned grapefruit juice pack was chiefly responsible. Movement of all canned citrus products has been nearly the same as a year ago. The goods on hand on August 16 were 23 percent below a year ago because of the smaller pack so far this season.

The current list f.o.b. Florida cannery price of single-strength canned orange juice (unsweetened) is $4.75 per case (dozen-46 oz.) compared with $4.10 last season. Canned single strength grapefruit juice f.o.b. prices have been relatively stable at $4.50 per case (dozen-46 oz.), slightly higher than year-earlier levels.

TREE NUTS

Almonds

Almond production in California is forecast at 140,000 tons in-shell (165 million pounds of meats), 27 percent belw last year's record output. The lighter set this year more than offset an increase in estimated bearing acreage and larger nut sizes. However, with a substantially larger inventory at the beginning of this season, total supplies are expected to be slightly larger than last year's level.

The total movement of almonds (shelled basis) during 1974/75 (July 1-June 30) was 160.2 million

Table 7—Tree nuts: Production, 1973, 1974, and indicated 1975

Crop and State	1973	1974	1975
	Tons	*Tons*	*Tons*
Almonds:			
California	134,000	192,000	140,000
Walnuts, English:			
California	174,000	155,000	190,000
Oregon	1,000	1,500	1,200
2 States	175,000	156,500	191,200

Table 8—Tree nuts in cold storage, June 30

Kinds	1973	1974	1975
	Million pounds	*Million pounds*	*Million pounds*
Almonds:			
In-shell	0.7	0.9	1.2
Nutmeats	17.1	24.4	73.2
Walnuts:			
In-shell	7.9	50.5	58.3
Nutmeats	19.2	21.0	27.5
Filberts:			
In-shell	3.0	1.1	1.0
Nutmeats	1.3	2.6	.9
Pecans:			
In-shell	18.0	57.8	9.9
Nutmeats	13.0	23.9	19.5
Other tree nuts:			
In-shell	9.0	9.4	9.2
Nutmeats	6.1	12.9	8.2
Total:			
In-shell	38.6	119.7	79.6
Nutmeats	56.7	84.8	129.3

Source: Statistical Reporting Service Cold Storage Reports.

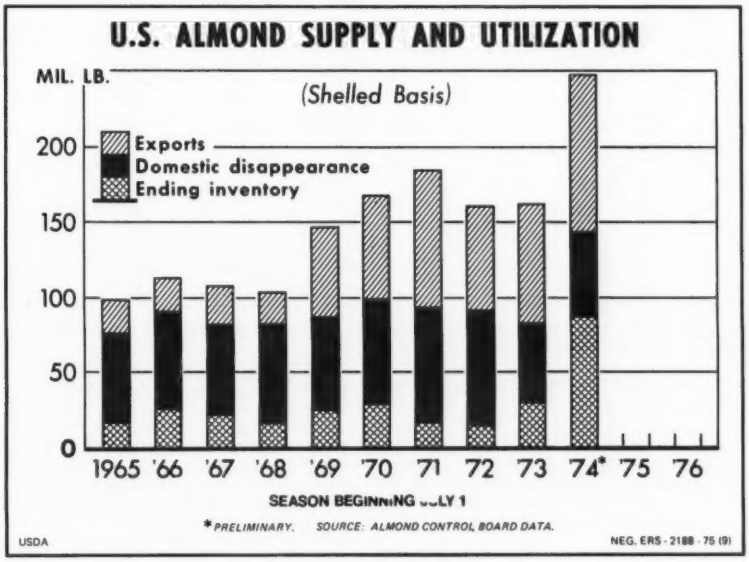
pounds, nearly 22 percent above year-earlier levels. Virtually all of the increase was due to larger export shipments, with domestic movements increasing only slightly to 56.3 million pounds.

The world almond harvest is currently forecast at 164,000 metric tons (shelled basis), compared with the 184,800-ton record crop of 1974. The anticipated decrease is due almost entirely to the smaller U.S. output. Foreign production in the principal producing countries—Spain, Italy, Iran, Portugal, and Morocco—is expected to total 89,000 metric tons, up nearly 5 percent from the 1974 level.

Prices received by U.S. almond growers declined sharply for the 1974 crop. The average price was $890 per ton, compared with the high of $1,490 during 1973. With larger supplies in prospect for the 1975/76 marketing year, almond prices are likely to weaken moderately.

Walnuts

California's walnut crop this year is substantially larger than last year while Oregon's is smaller. The total 1975 crop is estimated at 191,200 tons. This is 22 percent more than last year and 9 percent above the previous record set in 1973.



According to the Walnut Control Board in California, 1974/75 in-shell walnut shipments to both domestic and foreign markets totaled 107 million pounds compared with 90 million a year earlier. Domestic shipments increased 14 percent and accounted for 53 percent of the total, while exports were up 25 percent. Total shelled shipments at 72 million pounds were up slightly, with domestic movement accounting for 94 percent of this total.

Despite a smaller crop, prices received by walnut growers were lower for the 1974 crop. The average grower price was $415 per ton, down from $605 in 1973. The large inventories at the beginning of the 1974/75 season actually resulted in larger supplies of walnuts, causing prices to decline. With an inventory near last year's high level plus a substantially larger crop in prospect, supplies of walnuts will be large during the 1975/76 marketing year. If movement does not increase considerably, stock levels could become rather burdensome for the industry. Consequently, some weakening of prices is likely during 1975/76.

Pecans and Filberts

The first forecast of the 1975 crop of filberts and pecans will be released in the September 11 issue of *Crop Production.*

Per Capita Tree Nut Consumption

During the 1974/75 crop year, civilian per capita consumption of tree nuts declined moderately to 1.6 pounds. Slight increases in the consumption of almonds, walnuts, and macadamia nuts were more than offset by decreases in filberts, pecans, and imported nuts—particularly cashews, pistachios, and Brazil nuts. Detailed data regarding per capita consumption of tree nuts for the 1950-74 period is presented in the following table.

Table 9—Tree nuts (shelled basis): Per capita consumption, crop year, average 1950-54 and 1955-59, annual 1960-74[1]

Crop year	Almonds	Filberts	Pecans	Walnuts	Macadamia	Other[2]	Total
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
1950-54 average	0.27	0.07	0.37	0.40	---	0.53	1.6
1955-59 average	.23	.07	.33	.34	---	.55	1.5
1960	.30	.07	.36	.32	0.004	.52	1.6
1961	.28	.07	.44	.30	.006	.53	1.6
1962	.27	.05	.27	.32	.008	.56	1.5
1963	.22	.05	.45	.32	.010	.56	1.6
1964	.27	.05	.43	.32	.012	.54	1.6
1965	.28	.06	.52	.32	.013	.54	1.7
1966	.30	.07	.41	.35	.013	.53	1.7
1967	.31	.07	.40	.35	.012	.58	1.7
1968	.33	.07	.39	.30	.016	.67	1.8
1969	.31	.05	.42	.34	.015	.57	1.7
1970	.31	.06	.37	.37	.020	.59	1.7
1971	.35	.06	.38	.43	.021	.61	1.8
1972	.37	.07	.38	.40	.019	.72	2.0
1973	.26	.10	.36	.45	.017	.58	1.8
1974[3]	.27	.05	.34	.49	.020	.46	1.6

[1] Civilian consumption only. Beginning 1959, includes Alaska and Hawaii. [2] Includes the following nuts: Brazil, pignolia, pistachios, chestnuts, cashews, and miscellaneous. [3] Preliminary.

Note: See September 1970 (TFS-176) *Fruit Situation* for annual data prior to 1950.

Table 10—Total noncitrus fruit: Production and utilization, United States, crops of 1960-74[1]

Year	Production[2]	Utilization of sales			
		Fresh		Processed	
		Quantity	Percentage	Quantity	Percentage
	1,000 tons	*1,000 tons*	*Percent*	*1,000 tons*	*Percent*
1960	[3]9,294	3,663	39.4	5,628	60.6
1961	[3]10,014	3,862	38.6	6,146	61.4
1962	10,041	3,845	38.3	6,196	61.7
1963	10,185	3,669	36.0	6,516	64.9
1964	10,827	3,708	34.2	7,043	65.1
1965	11,095	3,658	33.0	7,348	66.2
1966	10,452	3,626	34.7	6,741	64.5
1967	8,979	3,204	35.7	5,697	63.4
1968	10,222	3,568	34.9	6,568	64.3
1969	11,418	3,883	34.0	7,421	65.0
1970	10,088	3,541	35.1	6,449	63.9
1971	10,742	3,579	33.3	7,102	66.1
1972	8,613	3,267	37.9	5,286	61.4
1973	11,133	3,534	31.7	7,518	67.5
1974[4]	11,335	3,708	32.7	7,550	66.6

[1] Apples (commercial crop), apricots, avocados, cherries (tart and sweet), cranberries, dates, figs, grapes, nectarines, olives, peaches, pears persimmons, plums, pomegranates, prunes, and strawberries. [2] Having value. Production includes culls and cannery diversion of clingstone peaches not sold. [3] Includes the following amounts of cranberries for which indeminity payment was received (000 tons): 1860—3; 1961—6. [4] Preliminary.

Data prepared from noncitrus fruit production and utilization reports, SRS, USDA.

Table 11—Production and utilization of apples, avocados, and cranberries, United States, crops of 1970-74

Commodity and year	Production		Utilization						
				Processed (fresh equivalent)					
	Total	Utilized[1]	Fresh	Canned	Juice and cider	Frozen	Dried	Other[2]	Processed[1]
	Thousand tons	*Thousand tons*	*Thousand tons*	*Thousand tons*	*Thousand tons*	*Thousand tons*	*Thousand tons*	*Thousand tons*	*Thousand tons*
Apples:									
1970	3,198.4	3,128.7	1,765.3	579.2	---	89.8	93.5	601.0	1,363.4
1971	3,185.6	3,040.3	1,741.0	546.7	543.4	95.2	47.1	67.0	1,299.4
1972	2,940.6	2,935.0	1,672.4	488.4	514.0	117.6	73.3	69.2	1,262.6
1973	3,119.2	3,112.5	1,757.7	627.2	410.0	126.0	127.4	64.2	1,354.8
1974	3,246.0	3,221.2	1,810.6	599.0	509.7	90.8	100.6	110.5	1,410.6
Avocados:[3]									
1970	85.8	85.8	85.8	---	---	---	---	---	---
1971	45.3	45.3	45.3	---	---	---	---	---	---
1972	89.2	89.2	88.3	---	---	---	---	---	.9
1973	73.3	73.3	72.2	---	---	---	---	---	1.1
1974	82.8	82.8	81.6	---	---	---	---	---	1.2
Cranberries:[4]									
1970	101.8	92.2	18.4	---	---	---	---	---	70.0
1971	113.2	82.0	20.0	---	---	---	---	---	57.9
1972	103.9	98.8	16.1	---	---	---	---	---	78.4
1973	105.0	100.7	19.9	---	---	---	---	---	73.5
1974	111.8	106.1	19.4	---	---	---	---	---	70.8

[1] Some totals do not add due to rounding. [2] *Apples*, include crushed for juice and cider in 1970 and vinegar, wine, jam, fresh slices for pie making, etc. (1970-74). [3] Some quantities processed are included with fresh to avoid disclosure of individual operations. [4] Utilized cranberries include shrinkage.

Table 12—Grapes: Production in principal States, 1973, 1974 and indicated 1975

State	1973	1974	1975	State and variety	1973	1974	1975
	Tons	*Tons*	*Tons*		*Tons*	*Tons*	*Tons*
New York	128,000	177,000	155,000	California:			
New Jersey	1,050	1,000	950	Wine	1,036,000	1,214,000	1,350,000
Pennsylvania	40,000	53,000	47,000	Table	475,000	617,000	500,000
Ohio	13,000	15,500	18,000	Raisin	2,376,000	1,958,000	2,000,000
Michigan	23,500	47,500	65,000	Dried[1]	1,409,000	942,800	---
Missouri	1,800	1,500	4,000	Not dried	224,000	240,000	---
North Carolina	3,400	3,100	3,300	All	3,887,000	3,789,000	3,850,000
Georgia-South Carolina	6,600	5,500	6,700				
Arkansas	8,000	8,000	10,500	United States	4,193,150	4,194,100	4,282,750
Arizona	11,600	12,500	12,300				
Washington	69,200	80,500	110,000				

[1] Dried basis 1 ton of raisins is equivalent to 4.32 tons of fresh grapes for 1973 and 4.23 for 1974.

Table 13—Apples, commercial crop[1]: Production, 1973, 1974, and indicated 1975

State and area	1973[2]	1974[2]	1975	State and area	1973[2]	1974[2]	1975
	Million pounds	*Million pounds*	*Million pounds*		*Million pounds*	*Million pounds*	*Million pounds*
Eastern States:				Central States cont'd.:			
Maine	55.0	69.0	80.0	Wisconsin	50.0	60.0	66.0
New Hampshire	44.0	61.0	64.0	Minnesota	20.0	25.0	24.0
Vermont	28.0	38.0	45.0	Iowa	10.4	10.8	11.1
Massachusetts	76.0	91.0	110.0	Missouri	51.0	53.0	63.0
Rhode Island	4.0	4.0	4.5	Kansas	15.0	12.7	17.0
Connecticut	30.0	45.0	47.0	Kentucky	9.8	14.4	22.0
New York	720.0	889.0	1,060.0	Tennessee	3.1	7.0	10.0
New Jersey	100.0	120.0	115.0	Arkansas	6.0	7.5	9.5
Pennsylvania	500.0	480.0	570.0	Total	881.3	1,109.6	1,302.6
Delaware	12.0	12.5	13.0				
Maryland	70.0	65.0	76.0	Western States:			
Virginia	400.0	373.4	450.0	Idaho	130.0	93.0	95.0
West Virginia	225.0	210.0	260.0	Colorado	115.0	45.0	105.0
North Carolina	210.0	295.0	300.0	New Mexico	38.0	5.0	11.0
South Carolina	17.0	20.0	22.0	Utah	52.7	37.0	47.0
Total	2,491.0	2,772.9	3,216.5	Washington	1,860.0	1,775.0	1,900.0
				Oregon	167.0	165.0	160.0
Central States:				California	490.0	440.0	460.0
Ohio	100.0	132.0	160.0	Total	2,852.7	2,560.0	2,778.0
Indiana	63.0	38.2	88.0				
Illinois	83.0	79.0	112.0	United States	6,225.0	6,442.5	7,297.1
Michigan	470.0	670.0	720.0				

[1] In orchards of 100 or more bearing trees. [2] Excludes unharvested production and excess cullage.

Table 14—Apples, commercial crop[1]: Production by varieties, United States, 1973, 1974, and indicated 1975

Variety	1973	1974	Indicated 1975
	Million pounds	*Million pounds*	*Million pounds*
Cortland	125.6	145.3	156.2
Delicious	2,174.2	2,097.8	2,387.8
Golden Delicious	975.5	1,062.7	1,073.8
Gravenstein	84.1	85.2	88.2
Jonathan	379.3	352.5	421.1
McIntosh	487.4	709.2	765.7
Northern Spy	82.1	92.6	113.8
R. I. Greening	68.5	117.0	183.0
Rome Beauty	511.9	492.5	574.4
Stayman	237.2	246.4	274.7
Winesap	168.0	163.7	179.7
Yellow Newtown	162.5	138.0	152.0
York Imperial	341.7	266.2	365.0
Other	440.5	522.8	561.7
Total[1]	6,238.5	6,491.9	7,297.1

[1] Commercial crops refer to the total production of apples in orchards of 100 or more bearing trees. Data include small quantities of mature fruit not harvested and excess culiage of harvested fruit not included in data in table 13.

Table 15—Processed apples: Season average price per ton received by growers, by type of use, principal States, 1972-74

Use and State	1972	1973	1974
	Dollars	*Dollars*	*Dollars*
Canning:			
California	70.00	119.00	125.00
Michigan	66.00	175.00	127.00
New York	60.60	149.00	120.00
Pennsylvania	70.20	145.00	134.00
Virginia	67.60	131.00	130.00
Washington	82.70	124.00	97.50
West Virginia	68.20	140.00	125.00
United States	67.60	140.00	125.00
Juice and cider:			
California	58.00	92.80	96.00
Michigan	47.80	117.00	46.00
New York	53.40	96.20	66.00
Pennsylvania	49.80	84.20	62.00
Virginia	48.40	89.20	68.00
Washington	79.60	100.00	62.10
United States	55.90	95.90	64.80
Frozen[1]:			
Michigan	79.20	206.00	110.00
New York	67.60	157.00	125.00
United States	76.10	172.00	121.00
Dried[1]:			
Washington	71.90	102.00	94.30
United States	68.80	106.00	99.40

[1] California data included in other States to avoid disclosure of individual operations.

Data from Statistical Reporting Service.

Table 16—Apples, Yakima Valley, Washington: Monthly average prices per carton tray pack, extra fancy, f.o.b. shipping point, 1973/74 and 1974/75[1]

Month	Red delicious				Golden delicious				Winesape	
	Regular storage		C.A. storage		Regular storage		C.A. storage		Regular storage	
	1973/74	1974/75[2]	1973/74	1974/75[2]	2973/74	1974/75[2]	1973/74	1974/75[2]	1973/74	1974/75[2]
	Dollars	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*
August	---	---	---	---	---	---	---	---	---	---
September	7.00	8.22	---	---	7.00	8.19	---	---	---	---
October	5.84	7.36	---	---	6.14	6.91	---	---	---	---
November	6.13	7.46	---	---	6.14	6.46	---	---	6.49	7.50
December	6.18	7.44	---	---	6.19	6.10	---	---	6.50	7.50
January	5.95	7.56	---	---	6.10	5.72	---	---	6.50	7.50
February	5.82	7.89	---	---	6.26	6.02	---	---	6.50	7.61
March	5.75	8.10	6.93	8.80	6.61	6.78	8.30	7.64	6.30	7.72
April	5.36	8.47	6.29	9.27	6.50	7.30	8.52	8.60	6.20	7.35
May	5.16	8.60	7.11	11.56	6.12	7.92	9.14	9.44	6.18	7.95
June	7.98	---	9.82	11.90	---	---	9.38	9.81	6.87	8.54
July	---	---	10.76	14.21	---	---	9.26	13.62	7.98	---

[1] Apples sizes 125's and larger through December 1973 and 80's-125's to date. [2] Preliminary January through July 1975.

Agricultural Marketing Service.

Table 17—Peaches: Production, 1973, 1974, and indicated 1975

State	1973[1]	1974[1]	1975
	Million pounds	*Million pounds*	*Million pounds*
California:			
Clingstone	1,294.0	1,598.0	1,520.0
Freestone	420.0	452.0	400.0
Total California	1,714.0	2,050.0	1,920.0
Southern States:			
North Carolina	30.0	20.0	35.0
South Carolina	245.0	215.0	220.0
Georgia	100.0	45.0	95.0
Alabama	7.0	9.0	8.5
Mississippi	10.0	7.0	7.0
Arkansas	36.0	20.0	35.0
Louisiana	6.5	6.3	2.5
Oklahoma	9.2	.1	6.8
Texas	15.0	18.0	15.0
Total Southern States	458.7	340.4	424.8
Other States:			
Massachusetts	4.0	3.0	4.8
Connecticut	4.5	4.2	5.0
New York	15.0	16.0	18.0
New Jersey	92.0	91.0	95.0
Pennsylvania	81.0	120.0	115.0
Ohio	5.0	14.0	20.0
Indiana	3.5	2.0	10.0
Illinois	7.0	3.5	27.0
Michigan	50.0	70.0	80.0
Missouri	8.0	3.0	23.0
Kansas	10.0	3.0	10.0
Delaware	2.9	1.2	3.4
Maryland	14.7	19.4	23.0
Virginia	20.0	32.0	32.0
West Virginia	16.0	23.0	28.0
Kentucky	4.0	5.0	16.5
Tennessee	3.7	4.0	8.7
Idaho	.8	10.0	10.0
Colorado	23.1	13.7	18.0
Utah	12.0	16.0	15.5
Washington	43.0	26.0	40.0
Oregon	12.0	11.0	13.0
Total Other States	432.2	491.0	615.9
United States	2,604.9	2,881.4	2,960.7

[1] Excludes unharvested production and excess cullage.

Table 18—Pears: Utilized production by States and Pacific Coast, variety composition, 1973, 1974, and indicated 1975

State	1973[1]	1974[1]	1975	Pacific Coast	1973[1]	1974[1]	1975
	Tons	*Tons*	*Tons*		*Tons*	*Tons*	*Tons*
Connecticut	1,500	1,400	2,000	Washington:			
				Bartlett	123,500	125,500	135,000
New York	12,600	14,000	20,000	Other	63,800	86,900	75,000
Pennsylvania	1,800	3,200	3,600	Total	187,300	212,400	210,000
Michigan	9,500	10,500	16,000	Oregon:			
				Bartlett	73,000	72,000	78,000
Idaho	1,300	1,050	1,650	Other	98,000	103,000	93,000
Colorado	5,510	4,590	5,200	Total	171,000	175,000	171,000
Utah	5,830	3,200	4,800	California:			
				Bartlett	317,000	297,000	305,000
Washington	187,300	212,400	210,000	Other	10,300	13,900	8,500
Oregon	171,000	175,000	171,000	Total	327,300	310,900	313,500
California	327,300	310,900	313,500	3 States:			
				Bartlett	513,500	494,500	518,000
				Other	172,100	203,800	176,500
United States	723,640	736,240	747,750	Total	685,600	698,300	694,500

[1] Excludes unharvested production and excess cullage.

Table 19—Prunes and plums: Production in principal States, 1973, 1974, and indicated 1975

Crop and State	1973	1974	1975
	Tons	*Tons*	*Tons*
Prunes and plums:[1]			
Michigan	18,000	12,000	20,000
Idaho	8,050	6,100	6,000
Washington	14,700	21,100	18,000
Oregon	25,800	31,500	33,000
Total 4 States	66,550	70,700	77,000
Dried prunes:[2]			
California	205,000	142,000	145,000
Plums:			
California	97,000	143,000	115,000
United States (fresh basis)	758,050	666,680	627,000

[1] Mostly prunes, however, estimates include small quantities of plums in all States. Unharvested production and excess cullage are excluded in 1973 and 1974. [2] In California the drying ratio is 2.90:1 for 1973 and 3.19:1 for 1974.

Table 20—U.S. exports of selected noncitrus fruits, fresh and canned, by destinations, 1970/71-1974/75 seasons

Item and season[1]	Canada	Europe				Other	Total
		United Kingdom	Original EC[2]	Other	Total		
	1,000 bushels[3]	*1,000 bushels*[3]	*1,000 bushels*[3]	*1,000 bushels*[3]	*1,000 bushels*[3]	*1,000 bushels*[3]	*1,000 bushels*[3]
Fresh fruit:							
Apples:							
1970/71	1,041	245	4	273	522	835	2,398
1971/72	1,381	292	1	243	536	887	2,804
1972/73	1,347	374	203	517	1,094	1,114	3,555
1973/74	2,132	60	2	362	424	1,688	4,244
1974/75	2,987	305	16	386	707	1,875	5,569
Pears:							
1970/71	491	15	2	200	217	213	921
1971/72	697	23	9	234	266	288	1,251
1972/73	696	8	15	160	183	312	1,191
1973/74	1,001	12	82	291	385	531	1,917
1974/75	879	2	33	172	207	610	1,696
			1,000 equivalent cases 24 No. 2½'s				
Canned fruit:							
Peaches:							
1970/71	1,005	43	1,853	683	2,579	126	3,710
1971/72	909	6	1,044	422	1,472	264	2,645
1972/73	923	11	1,007	340	1,358	366	2,647
1973/74	970	100	905	487	1,492	357	2,819
1974/75	1,250	18	338	375	731	166	2,147
Fruit cocktail:							
1970/71	709	117	513	402	1,032	198	1,939
1971/72	745	73	339	370	782	192	1,719
1972/73	746	196	573	407	1,176	309	2,231
1973/74	821	274	638	496	1,408	403	2,632
1974/75	921	97	179	219	595	251	1,767
Pineapple:							
1970/71	124	72	1,190	255	1,517	87	1,728
1971/72	161	100	831	138	1,069	81	1,311
1972/73	231	66	903	184	1,153	163	1,547
1973/74	197	101	869	169	1,139	157	1,493
1974/75	194	30	564	166	760	60	1,014
Cherries:							
1970/71	1	6	17	4	27	39	67
1971/72	3	1	16	5	22	39	64
1972/73	23	7	367	3	377	20	420
1973/74	27	7	195	3	205	36	268
1974/75	32	5	283	3	291	28	351
Apricots:							
1970/71	24	(4)	13	9	22	8	54
1971/72	37	1	40	8	49	6	92
1972/73	16	1	101	8	110	9	135
1973/74	29	26	26	13	65	20	114
1974/75	19	1	3	2	6	9	34
Pears:							
1970/71	50	1	156	44	201	24	275
1971/72	36	(4)	131	21	152	31	219
1972/73	35	2	129	26	157	52	244
1973/74	51	3	72	21	96	115	262
1974/75	39	3	38	12	53	42	134

[1] Season beginning July 1 for fresh apples, pears and canned cherries, June 1 for other canned items. [2] Belgium-Luxembourg, France, West Germany, Italy and Netherlands. [3] Apples, 42 pounds; pears 45 pounds. [4] Negligible.

Table 21—Frozen fruit cold storage holdings

Commodity	July 31		
	1973	1974	1975
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
Apples	33,737	73,129	52,610
Apricots	16,981	16,667	13,453
Cherries	74,912	71,927	121,507
Grapes	1,763	2,254	3,146
Peaches	8,274	25,293	22,055
Blackberries	8,682	10,957	12,803
Blueberries	16,240	22,734	10,794
Boysenberries	6,378	6,175	6,497
Raspberries, black	2,354	2,178	3,164
Raspberries, red	25,581	25,102	22,741
Strawberries	193,682	209,849	203,688
Other fruits and berries	106,828	101,102	104,531
Total	495,412	567,367	576,989

Table 22—Frozen concentrated citrus juices: Florida canners' stocks, packs, supplies, and movement, current season with comparisons

Item and season	Carryin	Pack		Imports		Supply		Movement		Stocks[1]
		To date[1]	Total season	To date[1]	Total season	To date[1]	Total season	To date[1]	Total season	
	1,000 gallons	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*
Oranges:[2]										
1971/72	22,568	134,229	134,229	8,021	11,668	164,818	168,465	96,731	140,715	68,087
1972/73	27,750	175,883	176,073	2,553	4,101	206,186	207,924	114,806	100,552	91,630
1973/74	47,372	171,846	171,846	4,243	4,599	223,461	223,817	123,932	174,956	100,588
1974/75	48,861	178,018		5,775		232,654		135,009		97,645
Grapefruit:										
1971/72	1,148	8,798	8,798	---	---	9,946	9,946	4,853	7,115	5,093
1972/73	2,831	8,658	8,658	---	---	11,489	11,489	5,621	7,908	5,868
1973/74	3,581	9,026	9,026	---	---	12,607	12,607	5,507	7,710	7,100
1974/75	4,897	7,822	7,822	---	---	12,719	12,719	5,777		6,942
Tangerine:										
1971/72	307	1,220	1,220	---	---	1,527	1,527	1,230	1,319	297
1972/73	208	1,072	1,072	---	---	1.280	1,280	1,001	1,069	279
1973/74	211	1,019	1,019	---	---	1,230	1,230	733	831	497
1974/75	399	1,147	1,147	---	---	1,546	1,546	874		672

[1] For 1974/75 season, week ending August 16; 1973/74, August 17; 1972/73, August 18; and 1971/72, August 12. These respective dates include data through the 37th week of each season. [2] Unadjusted "Movement" data "To date" through 1973/74 are shown as reported by Florida Canners Association.

Source: Florida Canners Association.

A BRIEF OVERVIEW OF THE UNITED STATES' GRAPE INDUSTRY

by
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ABSTRACT: The United States grape industry is undergoing rapid changes. This article reviews some of the major events of the past few years which have had a major impact on the grape industry. The apparent increase in demand, particularly for wine, during the late 1960's and early 1970's, coupled with several short crop years, led to higher grape prices. The industry responded with expanded acreage. With favorable weather the U.S. grape industry is capable of producing unprecedented larger crops, although new plantings will be severely curtailed. While prices received by growers for grapes will undoubtedly be below those of recent years, consumers in the years ahead should find ample supplies of wine, raisins, fresh table grapes and other grape products.

Key Words: Concord grapes, consumptions, demand, grapes, juice, planting response, production, raisin grapes, supply, table grapes, wine grapes.

The grape has become one of the Nation's most important fruit crops. The value of grape production exceeded that of apples by 1969 and in 1973 the value of the grape crop surpassed that of oranges the leading fruit crop. The 1974 grape crop was valued at $609.7 million, slightly less than the value of the 1974 orange crop (Table 1).

The U.S. grape industry is undergoing dramatic changes. While per capita consumption of fresh table grapes and raisins trended downward until the early 1970's, per capita wine consumption increased dramatically from 1.03 to 1.65 gallons during the so-called "wine boom" years, 1967 through 1973 (Table 2). In recent years per capita consumption of fresh table grapes, raisins, and some processed grape products such as juice has stabilized and appears to be on the increase.

Table 1—Value of production leading fruit crops

Year	Apples	Grapes	Oranges
	Million dollars	*Million dollars*	*Million dollars*
1974[1]	537.6	609.7	611.6
1973	545.7	680.1	603.3
1972	377.7	423.1	549.4
1971	299.1	381.6	465.1
1970	283.3	296.2	388.0
1969	272.3	282.4	447.0
1968	332.7	236.4	383.8
1967	300.9	212.3	337.3
1966	252.6	207.7	335.9
1965	259.1	195.1	367.3

[1] Preliminary.

Source: Statistical Reporting Service, U.S. Department of Agriculture, *Crop Values*, various issues.

Interest in grape production and corresponding expansion of grape acreage at unprecedented rates during the past 5 years has given the industry an enormous potential for increased production.

The 1975 crop could prove to be one of the larger on record. This article reviews the historical background leading to the present circumstances and acreage situation in the grape industry and emphasizes the most important market outlet for grapes, the wine market.

Production and Utilization of the 1974 Grape Crop

Grapes are commercially important in at least a dozen States (Table 3). California in 1974 produced about 90 percent of the Nation's 4.2 million tons of grapes. New York was a distant second with 177,000 tons of principally Concord and other

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Table 2—U.S. per capita consumption of grapes and grape products

Year	Fresh grapes	Raisins	Canned grape juice	Wine
	Pounds	*Pounds*[1]	*Pounds*[1]	*Gallons*[2]
1974[3]	2.7	1.55	.67	1.65
1973	2.1	1.40	.56	1.65
1972	1.8	.96	.54	1.61
1971	2.1	1.35	.70	1.48
1970	2.5	1.34	.58	1.31
1969	3.1	1.47	.54	1.17
1968	3.4	1.44	.55	1.07
1967	3.1	1.52	.67	1.03
1966	3.8	1.64	.63	.98
1965	3.9	1.54	.74	.98

[1] Product weight basis. [2] For resident population of all ages. [3] Preliminary.

Source: Economic Research Service, U.S. Department of Agriculture, *Fruit Situation*, July 1975. Wine Institute, *Economic Research Report*, San Francisco, various issues for wine per capita series.

American type varieties. Washington, Pennsylvania, and Michigan also have sizable production of Concord and other American varieties. In addition, the newer plantings of French hybrid types for wine are now bearing larger crops.

Grapes are a highly versatile crop. The Concord's primary use is juice and jellies. However, during the so-called "wine boom" years of the early 1970's, significant tonnages of Concords went into the making of wine. In 1974, 46 percent of the Concord grapes purchased by New York wineries and processing plants went into wine with the remainder going into juice or jelly. Some observers note that in some recent years at least 20 percent of Washington's Concord crop was sent to California for use in the so-called "pop wines."

The principal raisin type grape is the Thompson Seedless variety produced in California.[1] The Thompson is well suited for the making of wine and raisins, as well as being a desirable table grape. Over the last 15 years at least one-third of the Thompson tonnage was crushed for wine. In recent years when there was a shortage of wine type grapes, over one-half of the raisin type grape tonnage went for wine. In 1973, 46 percent of the Thompson tonnage was crushed for wine. In 1974 when the tonnage of wine type grape varieties was larger, 38 percent of the California raisin type grape crop was crushed for wine, and accounted for one-third of the total grapes crushed for wine in California. Nearly 7 percent of the raisin type grape crop went into the fresh market, 3 percent were canned, and 52 percent were dried for raisins.

Although a few of California's table grapes are dried, most are either crushed for wine or sold as fresh table grapes. In 1974 over one-half of the production of table grapes was crushed for wine. As with the raisin grapes, fresh table grapes have some degree of substitutability for wine type grapes. Raisin and table grapes are substituted for wine type grapes when the production of wine type grapes is low relative to the production of fresh table grapes and raisins.

Wine grapes are principally grown for the production of wine, although some wine grapes go into

[1] Ninety-three percent of the raisin type grape acreage is Thompson Seedless.

Table 3—Production and utilization of grapes, by States, 1974; indicated production, 1975

State	Utilized production	Utilization[1]					Indicated production 1975[2]
		Fresh	Canned	Dried	Crushed for		
					Wine	Juice, jam jelly	
	1,000 tons	*1,000 tons*	*1,000 tons*	*1,000 tons*	*1,000 tons*	*1,000 tons*	*1,000 tons*
Arizona	12.5	12.5					12.3
Arkansas	8.0	[4]			[4]	[4]	10.5
California, all	3,789.0	432.4	61.2	1,017.4	2,278.0		3,850.0
Wine	1,214.0	54.0			1,160.0		1,350.0
Table	617.0	248.8		2.2	366.0		500.0
Raisin	1,958.0	129.6	61.2	1,015.2	752.0		2,000.0
Michigan	47.5	2.0			5.5	40.0	65.0
Missouri	1.5	[4]			[4]	[4]	4.0
New Jersey	1.0	.1			.9		.9
New York	177.0	1.9			88.6	86.5	155.0
North Carolina	3.1	[4]			[4]	[4]	3.3
Ohio	15.5	1.2			2.8	11.5	18.0
Pennsylvania	53.0	1.3			8.5	43.2	47.0
Washington	80.5	1.0			[4]	[4]	110.0
Other[3]	5.5	2.5			12.8	82.3	6.7
U.S.	4,194.1	454.9	61.2	1,017.4	2,397.0	263.6	4,282.7

[1] Preliminary. [2] As of August 1975, U.S. Department of Agriculture, Statistical Reporting Service. [3] South Carolina and Georgia. [4] Missing data included in other States to avoid disclosire of individual operations.

Source: Statistical Reporting Service, U.S. Department of Agriculture, *Noncitrus Fruits and Nuts Annual Report*, Jan. 1975.

the fresh market. California's wine grapes are generally less versatile for marketing purposes than the other two basic types of grapes.

Well over one-half of all grapes produced throughout the United States in 1974 went into the production of wine.

Forecast Production

This year's U.S. grape crop is forecast to be one of the larger on record. California, the principal grape producer, is expected to have a 1.6 percent increase in total production (Table 3). Only table grapes show a decline from the previous year. Raisin grapes show an expected increase of 42,000 tons over 1974 while wine type grapes are expected to increase 136,000 tons in 1975. The substantial increase in wine type grapes can be attributed in part to the vast plantings of the early 1970's. Generally favorable weather coupled with a tendency to alternate-year bearing indicates a large Thompson Seedless crop in 1975.

The crops of Washington, Michigan, and Ohio also show increase over their 1974 production levels. Washington and Michigan are forecast at 110,000 and 65,000 tons respectively, up 37 percent from 1974 for both of them. Ohio is expected to have a crop of 18,000 tons, 16 percent above a year ago. However, New York's production at 155,000 tons is expected to be down 12 percent from a year ago, and prospects in Pennsylvania are for a crop of 47,000 tons, slightly more than one-tenth below year-earlier levels.

The Shift in Demand

The important factors leading to this year's forecast of a large grape crop can first be traced to 1969 when there was an apparent shift in the demand for wine. While the per capita consumption of fresh table grapes, raisins, and canned grape juice had stagnated, the demand for wine increased in a phenomenal fashion. Wine consumption has gained increased acceptance in the U.S. in recent years. Historically wine consumption grew at modest rates. However, a dramatic surge in consumption from 1969 through 1973 boosted per capita wine consumption by 60 percent. This growth took place despite rising price levels. Total gallons of wine entering distribution channels increased from about 213 million gallons in 1968 to almost 337 million gallons in 1972 (Table 4). In 1974 the total entering distribution channels was nearly 350 million gallons. This widely publicized increase in wine consumption caused a wave of optimism in the grape industry.

As of 1969 major vintners in the U.S. believed that the U.S. wine market would not reach 350 million gallons until 1980.[2] A prominent California financial institution was slightly more optimistic, forecasting a 350 million gallon market by 1977 and a 650 million gallon wine market by 1980.[3] Another California financial institution in 1972 forecast the U.S. wine market would increase to 490 million gallons by 1980.[4] One reason for the optimism is that present U.S. per capita consumption of 1.65 gallons per year is rather meager when compared to the per capita consumption of certain Western European countries.

The rather sudden increase in the demand for wine has been attributed to a number of factors: increasing numbers of college educated people, increasing numbers of people of legal drinking age, a rising level of general affluence, higher income, increased travel abroad and in the wine producing States by U.S. citizens, and availability of new wine type products.[5] For whatever the reasons, in the early 1970's America's tastes and preferences made a definite and dramatic change toward increased consumption of wine.

[2]"1972 Wine Sales: 337 Million Gallons," *Wines and Vines*, April 1973, p. 21.

[3]"World's Largest Bank Sees 650-Million-Gallon Market for Wine in U.S. by 1980," *Wines and Vines*, September 1973, pp. 21-24.

[4]"1980 Wine Market: 490 Million Gallons?" *Wines and Vines*, November 1972, p. 18.

[5]Folwell, R.J., et al., "Wine Marketing: Socioeconomic Characteristics and Consumption Patterns," Washington Agricultural Experiment Station Bulletin 769, December 1972.

Table 4—Commercially produced wine entering distribution channels in the United States, by type, for selected years

Wine type	1960	1964	1968	1972	1973	1974
	1,000 gallons	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*
Table	53,071	70,349	95,831	173,820	191,252	198,941
Dessert	87,412	85,564	79,835	72,688	69,285	66,723
Vermouth	7,109	8,879	9,952	10,055	10,214	9,849
Sparkling	4,321	6,543	12,513	22,301	20,953	19,811
Other	11,440	14,289	15,526	58,121	55,536	54,079
Total	163,352	185,625	213,658	336,985	347,213	349,403

Source: Wine Institute, *Economic Research Report*, San Francisco, various issues.

The per capita use of fresh table grapes, raisins, and canned grape juice has stabilized in recent years after a long downward trend, and preliminary data for 1974 and indications for coming years show they may be on the increase. Perhaps because of increased availability and/or changing preferences, Americans may be showing more favor toward the grape and its products.

The Short Crop Years

At the same time demand for wine was increasing and markets for wine products expanding, there were several years of short crops due to unfavorable weather. The crop of 1970 was only 3.1 million tons, down from the preceding year's crop of 3.9 million tons, but the 1972 crop was a mere 2.6 million tons (Table 5). The combination of reduced supplies along with incrased demand pushed prices received by growers, particularly in California, to record highs in the early 1970's (Table 6).

Table 5—Production and utilization of grapes, United States, 1965-74

Year	Utilized production	Utilization[1]			
		Fresh	Processed		
			Canned	Dried	Crushed for wine, juice, etc.
	1,000 tons	*1,000 tons*	*1,000 tons*	*1,000 tons*	*1,000 tons*
1974[2] ..	4,194.1	454.9	61.2	1,017.4	2,660.6
1973 ...	4,193.2	400.6	59.0	969.3	2,764.2
1972 ...	2,569.7	349.6	50.5	437.4	1,732.2
1971 ...	3,996.7	409.9	58.4	880.9	2,647.5
1970 ...	3,119.3	406.0	53.7	821.8	1,837.8
1969 ...	3,897.5	562.0	66.3	1,010.2	2,259.0
1968 ...	3,549.0	558.0	64.0	1,111.1	1,816.0
1967 ...	3,062.2	466.8	54.0	751.8	1,789.6
1966 ...	3,733.3	597.4	62.0	1,185.7	1,888.3
1965 ...	4,326.0	599.6	54.8	1,297.0	2,374.6

[1] May not sum to total due to rounding. [2] Preliminarry.

Source: Statistical Reporting Service, U.S. Department of Agriculture, Noncitrus Fruits and Nuts Annual Report, various issues.

Sustained High Prices Mean New Acreage

The high prices and favorable publicity about the increase in demand for grapes and grape products led to a general wave of optimism about the future of the wine industry. The response by the industry was overwhelming.

California, which produces most of the Nation's grapes, increased its plantings tenfold between 1968 and 1973—from 6,130 acres to more than 67,000 acres in 1973 (Table 7). Last year California growers planted an additional 30,000 acres and grower intentions indicate about 9,000 acres more will be planted in 1975.[6] The majority of these plantings were of wine type grapes. Some industry observers wondered when this expansion would stop.

1975 and Beyond

Acreage expansion for 1975 and the foreseeable future appears to be limited according to statistical models developed to predict grape plantings for the major grape producing States.[7] The models for California wine type grapes and raisin type grapes relate plantings to past prices and certain other variables. Projections based on the models indicate that by 1976 plantings for both wine type grapes

[6] Moulton, Kirby, "An Economist Reviews California's Critical Grape Survey Situation," *Wines and Vines*, 56, May 1975, p. 32.

[7] Baritelle, J.L. and H. Shapouri, "Supply Response of the U.S. Grape Industry," Economic Research Service Manuscript (In Review), 1975.

Table 6—Average grape price per ton received by growers for selected States.

Year	California			New York All	Washington All	Pennsylvania All	Michigan All
	Wine	Raisin	Table				
	Dollars	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*
1974[1]	146.00	132.00	135.00	235.00	165.00	198.00	183.00
1973	207.00	133.00	174.00	221.00	185.00	221.00	197.00
1972	222.00	125.00	198.00	186.00	154.00	172.00	166.00
1971	139.00	69.00	95.10	160.00	126.00	123.00	120.00
1970	118.00	72.50	109.00	169.00	157.00	147.00	142.00
1969	80.50	62.50	56.70	175.00	115.00	161.00	145.00
1968	71.10	58.20	55.80	133.00	91.50	135.00	124.00
1967	62.10	63.50	61.90	112.00	82.00	109.00	114.00
1966	56.40	47.90	51.30	116.00	77.00	109.00	106.00
1965	48.30	37.80	32.40	111.00	95.80	131.00	102.00

[1] Preliminary.

Source: Statistical Reporting Service, U.S. Department of Agriculture, Noncitrus Fruits and Nuts Annual Report, various issues.

Table 7—All grapes: acreage standing, by type, by year planted, California, 1974.

Type	1965 and earlier	1966	1967	1968	1969	1970	1971	1972	1973	1974[1]	Bearing	Non-bearing[2]	Total
	Acres	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*
Raisin	228,057	4,442	1,559	980	1,439	1,533	2,778	2,817	5,735	1,720	240,828	10,272	251,100
Table	61,517	1,309	913	655	551	577	1,376	1,894	3,180	865	66,898	5,939	72,837
Wine	109,596	6,898	4,118	4,482	7,064	15,066	34,616	56,829	57,385	25,990	181,840	140,204	322,044
Grapes excl. rootstock	339,170	12,649	6,630	6,117	9,054	17,176	38,770	61,540	66,300	28,575	489,566	156,415	645,981
Rootstock	23	10	3	13	48	57	152	421	759	1,360			2,846
All grapes	399,193	12,659	6,633	6,130	9,102	17,233	38,922	61,961	67,059	29,935			648,827

[1] Includes 337 acres not yet planted when surveyed but expected to be planted before January 1, 1975. By type this 337 acres is comprised of the following: raisin—13, wine—324. [2] Non-bearing includes plantings in 1972, 1973, and 1974.

Source: *California Grape Acreage 1974*, California Crop and Livestock Reporting Service, 1974.

and raisin type grapes will be below that required to maintain present acreage levels.

The models for New York, Washington, and Pennsylvania used a proxy variable, a moving 5-year average of production, in lieu of planted acres because of a lack of data on annual plantings. Related the 5-year average of productin to prices at least 3 years in the past indicated a slight increase in New York's grape acreage. This should mean increased production in the next few years. Similar increases were projected for Pennsylvania and Washington. Washington, according to the model, showed the greatest expansion of the three States producing principally Concord and American type grape.

Although further acreage expansion will be limited, recently planted acreage will continue to come into production over the next few years. Given favorable weather, large supplies of all grapes should be forthcoming, particularly in California. Under average conditions California alone will have in excess of 4,200,000 tons of grapes by 1978.[8] Raisin type grapes are projected near their 1974 crop levels with table grapes showing a decline in production. Wine type grapes, however, are projected at nearly 50 percent more than their 1974 levels by 1978 and production could be even greater with favorable weather conditions.

The disposition and utilization of the crop will depend on a number of factors. Inventories of wine have been growing faster than the demand for wine. The inventory of wine grew by 20 percent between 1972 and 1973 to 430.8 million gallons (Table 8). That was a record level, but the 1974 inventory

Table 8—Inventories of wine by type in the United States as of December 31, 1968-74

Wine type	1968	1972	1973	1974
	1,000 gallons	*1,000 gallons*	*1,000 gallons*	*1,000 gallons*
Table	147,859	255,219	321,255	354,206
Dessert	116,558	86,954	92,337	89,571
Vermouth	1,490	1,418	1,185	1,163
Sparkling	5,257	8,061	8,464	8,110
Other	2,372	7,320	7,602	6,660
Total	273,536	358,972	430,843	459,710

Source: Wine Institute, *Economic Research Report*, San Francisco, various issues.

was 459.7 million gallons or 6.4 percent greater than 1973.

Expansion of cooperage, storage tanks or barrels, is probably below that necessary to accommodate the additional new acreage with normal crop yields.[9] The 61,961 acres planted in 1972 are scheduled to come into production in 1975. Similarly, the 67,059 acres of wine grapes in 1973 will come into production in 1976. The projected 54,000 new bearing acres of wine grapes in 1975 translates into 300,000 tons of grapes which in turn could result in 53 million gallons of wine.[10] Cooperage expansion is on the order of 20 million gallons. If inventories are not reduced and the percentage of grapes crushed is not adjusted, storage would be short by 30 million gallons[11]

The future of the grape industry will depend in a large part on the continued expansion of the wine market. Per capita consumption of wine in 1974 was about the same as 1973's per capita consumption of 1.65 gallons. Will this figure increase in the next few years? To answer this and other questions, the Economic Research Service has undertaken a household survey to better understand those buying and not buying wine and wine type products. A panel approximately 7,000 households representing a cross section of all U.S. households are being asked to keep a monthly diary of their wine purchases.

The findings thus far indicate that most U.S. households do not buy or consume wine. For the 4-month period November 1974 through January 1975, over one-half of the panel households didn't buy any wine or wine type products. The highest incidence of purchase was in or around large urban areas. Almost 60 percent of those households made at least one or more purchases. In contrast, less than 30 percent of those panel households living in markets with less than 50,000 persons purchased wine.

By region of the country, the Pacific [illegible]ast had the highest incidence of purchase with 63 percent of the households making at least one purchase. New England and the Middle Atlantic States had an incidence of purchase of about 57 percent. The important wine markets are generally on or close to the East or West Coast and are in or around the major metropolitan areas.

Members of the typical wine buying household were better educated with higher incomes than those in the non-wine buying households. In addition, the husbands of wine purchasing households usually hold white collar jobs in comparison to nonpurchasing households where blue collar occupations dominate. Wine purchasing households were divided into 10 groups with each group representing 10 percent of the purchasing households. Before the households were placed into various groups, they were arrayed according to households purchasing the largest quantity down to house-

[8]Moulton, op. cit.

[9]Ibid.
[10]Ibid.
[11]Ibid.

holds purchasing the smallest quantity of wine during the 4-month period. Hence, group 1 included the 10 percent of those households which purchased the largest quantity of wine. Almost one-half of all the wine bought in the 4-month period was purchased by only 10 percent of the purchasing households. Over two-thirds of the wine was bought by the top two groups. The sale of wine in the United States is made to a very few households. Most households never purchase wine and most of those which do buy wine purchase a relatively small proportion of the total wine sold.

The importance of wine at festive occasions was evident as over 35 percent of the purchases were intended for special occasions, particularly among households purchasing very little wine. The more wine entering a household, the greater the percent to be used for everyday consumption.

According to the data for the 4-month period, the housewife was the most frequent intended user, expecting to participate in the consumption of 80 percent of the purchases. The husband was to participate in the consumption of 75 percent of the purchases. Friends and relatives were also marked high percentage users.

There was also a good deal of seasonality in the purchase of wine. In December better than one-third of all households on the panel bought wine. About one-fourth of the households made at least one purchase in October and November, but only 17 percent made a purchase in January.

The market potential of wine in the United States would appear vast on two accounts: first, the large percentage of the population not buying; and second, of those presently purchasing, a large percent purchase very little in comparison to the small percentage who apparently consume a majority of the wine.

Assuming an average yield per acre and a gradually improving economic situation, the following events seem plausible. With employment and incomes increasing, as well as plentiful supplies of grapes, per capita wine consumption should once again increase. The rate of increase will probably be at a more modest rate than that of the early 1970's. The rate of expansion will likely depend on such things as wine prices, household income, new wine products, and product promotion. The recent increases in per capita consumption of raisins, fresh table grapes, and canned grape juice are likely to continue in view of plentiful supplies. With normal yields per acre, large crops of grapes are unavoidable, although future plantings will be substantially reduced.

The increased production of wine grapes that are best suited to the production of wine will replace some of the Thompson Seedless grapes crushed for wine. The Thompson is well suited to the production of raisins as well as use as a fresh table grape. This should mean that in addition to plentiful wine supplies, table grapes and raisins will also be plentiful in the years ahead.

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